REMARKS

The Office Action mailed January 28, 2003, has been received and its contents carefully noted.

Allowable Subject Matter

Applicants thank with appreciation the Examiner's indication of allowance for claims 11-20 and 29-33. Also, Applicants acknowledge that the Examiner has indicated that claims 10 and 28 would also be allowed if rewritten in independent form including all of the limitations of the base claim and any intervening claims. Claim 10 has been amended to include all of the limitations of the base claim 7, and claim 28 has been amended to include all of the limitations of the base claim 25.

Additionally, claims 7, 9, 25 and 27 have been canceled. Accordingly, claims 10-20 and 28-33 are now pending in the application and are allowable.

Conclusion

In view of the foregoing, it is believed all the issues raised by the Examiner have been considered and appropriately addressed. It is believed this application is now in condition for allowance and action to that end is respectfully solicited.

If the Examiner believes that a conference would be of value in expediting the prosecution of this application, the Examiner

is invited to telephone the undersigned to arrange for such a conference.

Attached hereto is a marked-up version of the changes made to the claims by the current amendment. The attached page is captioned "**Version with markings to show changes made.**"

Respectfully submitted,
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Date: April 10, 2003
Atty. Docket No.:05970/P63935US0
JCH:DKD:kpc

Version with markings to show changes made.

In the Claims:

Please cancel claims 7, 9, 25 and 27 without prejudice or disclaimer, and please amend claims 10 and 28 as follows:

10. (Amended) [The apparatus according to claim 7,] An apparatus for processing a video signal comprising:

a pattern generator to generate a plurality of dither pattern signals, each pattern signal carrying positional data indicating locations of dither coefficients on pixels arranged in a matrix on a display panel;

a coefficient generator to generate a dither coefficient signal carrying the dither coefficients arranged in a matrix for each gradation level of an input video signal in response to one of the pattern signal, weighting being applied to each dither coefficient, the lower the gradation level, and the larger the weighting;

an adder to add the coefficient signal to the input video signal, thus outputting a video signal to be supplied to the display panel; and

wherein the adder adds the coefficient signal to the input

video signal at gradation levels equal to or lower than a predetermined level.

28. (Amended) [The method according to claim 25,] A method of processing a video signal comprising the steps of:

generating a plurality of dither pattern signals, each pattern signal carrying positional data indicating locations of dither coefficients on pixels arranged in a matrix on a display panel;

generating a dither coefficient signal carrying the dither coefficients arranged in a matrix for each gradation level of an input video signal in response to one of the pattern signal;

adding the dither coefficient signal to the input video signal, thus outputting a video signal to be supplied to the display panel; and

wherein the addition step comprises the step of adding the coefficient signal to the input video signal at gradation levels equal to or lower than a predetermined level.